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COMMUNITY RELATIONS

New Approaches to Building Consensus

Small Firms, Big Issues

The Valdez Revisited

Practitioner Perspectives

PUBLIC RELATIONS JOURNAL

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FEATURES

24 Community Relations: New Approaches to Building Consensus

With the advent of environmental disclosure laws, the need to ward off takeover attempts and other developments of recent years, community relations is no longer a nice idea—it's an important element for survival. But what *is* CR now? Does it take in everything from philanthropy to marketing to crisis and issues management? Experts discuss the field. *Mary Lowengard*

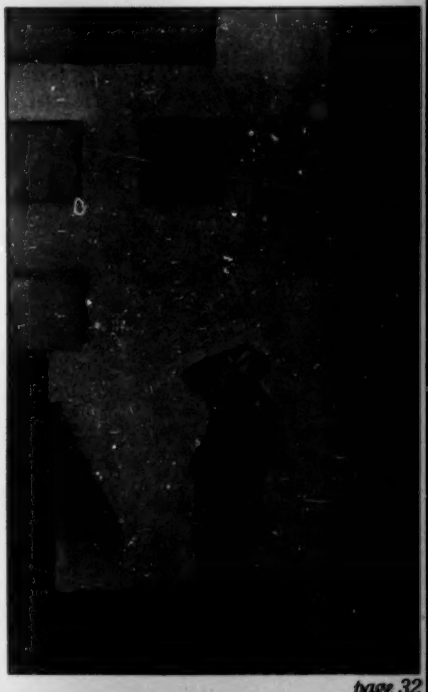
32 Small Firms, Big Issues

Principals from 15 small to medium-sized firms talk about how they're faring in a world that includes a growing number of ad agency-owned competitors, a greater need than ever to assess growth versus profitability, and a tug of war between diversification and specialization. *Daniel H. Baer, APR*

40 Assessing the Damage: Practitioner Perspectives on the Valdez

The smoke has cleared, but the ramifications for industry of the Exxon Valdez oil spill will live on for years. Here's a summary of what dozens of recently-interviewed crisis management experts have to say about what the *true* public relations lessons are of this unprecedented environmental disaster.

E. Bruce Harrison, APR with Tom Prugh



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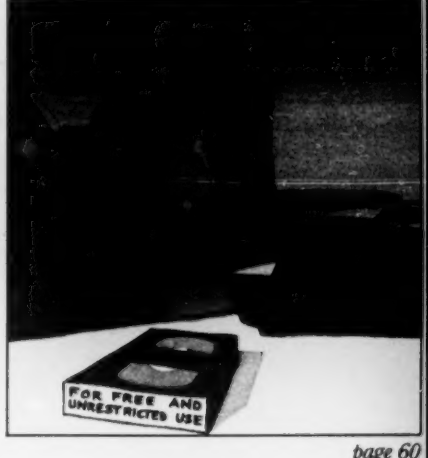

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James Noel Smith/The Image Bank

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INSIDE TRACK

Consensus from within and without

This issue of *PRJ* focuses on the topic of consensus, from several directions. First, there's a snapshot of what's happening in the very much evolving field of community relations *(page 24)*. CR has become both more crucial than ever, but at the same time, in many respects harder to define. While the very business of CR is creating consensus, there is no clear consensus within the field about what CR itself is and should be. Does it encompass crisis management? Issues management? Philanthropy? Marketing? All of the above? Are CR managers, traditionally not singled out as "stars" within the PR community, now coming into their own?

Writer/practitioner Mary Lowengard put these questions to CR experts across the country and came up with an intriguing array of viewpoints, as well as pertinent case studies of the myriad ways CR is being applied today for the benefit of both for-profit and nonprofit organizations.

In another piece, two experts in crisis communication survey the viewpoints of their colleagues as to what went wrong and right with the public relations/CR effort following the Exxon Valdez oil spill *(page 40)*. While the not-surprising consensus is that a great deal more could have been done to win the nation's trust and avoid the still-hovering cloud of criticism, the authors have concentrated on gathering useful insights into the specific lessons to be learned from a professional standpoint. The basics of good, solid crisis management change very little from year to year, but the nuances involved in an incident of this magnitude make for thoughtful and sobering reading.

Moving into management issues... Whatever business they're in, all entrepreneurs are naturally curious about how their peers are faring and how they're coping with similar problems. Dan Baer, himself a principal in an independent, L.A.-based firm, recently asked 15 owners of small to medium-sized public relations firms in various regions of the country to open up and talk about how they, personally, are affected by issues such as mergers, acquisitions, competition, diversification vs. specialization and the struggle to balance growth and profitability. What emerged was a sort of combination focus group/networking session in print *(page 32)*. Would-be public relations entrepreneurs will probably be particularly interested in the responses of these professionals to the question: "If you could give others one piece of advice on starting a firm, based on your own experience, what would it be?" *(page 35)*.

With PRSA's Annual Conference coming up this month in Dallas, I'll be heading out to cover the events, along with Judy Gordon and Adam Shell, who will be meeting some of you for the first time. We're all looking forward to talking with you and hope you'll be ready to share your ideas and recent professional experiences with us. See you there...

Karlene Lukovitz, Editor

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The Public Relations Society of America (PRSA) is an individual membership professional society of 14,265 public relations practitioners. Its major services to members include programs of Professional Development and Accreditation, an Information Center, publications, tracking of issues of national concern, and promotion of ethical practice through adherence to PRSA's "Code of Professional Standards." PRSA's mission is "To serve the public need for understanding and cooperation among its diverse interests by fostering high professional and ethical standards for all those practicing public relations."

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of people whose experience was limited to what they called "pitching." They were in the business of telephoning editors all day long to try to interest them in preparing articles on subjects of interest to clients.

Admittedly, the pitches often followed a press release or press kit sent to the editors previously. But the pitch-artists I interviewed did not write the releases or kits, I learned. That was done by obscure individuals way back in the hidden recesses of the agency.

Contrary to what might be thought, these pitches were being made routinely not only—or primarily—to media that prepare their own articles, but to trade media that regularly accept submitted articles.

"Why don't you just write an article and submit it to the magazine?" I asked one of the pitch-artist job candidates. "I really don't know," was the answer.

"Could you write such an article?" I asked. "My job was not writing," was the testy answer. "It was pitching."

"Would you like a job that combined writing with a certain amount of pitching of articles you wrote?" I pressed the candidate, who expressed no interest at all in my proposal.

Indeed, my impression was that to this candidate—and several others—writing lacked both dignity and excitement: it was not where public relations was at. It was for plodders. I feel sorry for the editors who are the objects of these pitch-artists.

Is it any wonder that editors are wary of public relations practitioners or that the Public Relations Society of America rightly places so much emphasis on professionalism and professional education?

Martin Wank
President
Wank Associates
Greenvale, NY

Correction: In the September issue, a column in the tables on *The Wall Street Journal* advertising, page 22, should have been changed to read "lineage" instead of LNA's terminology, "pages." On page 28, two references in the text to corporate ad expenditures should have read "million" instead of "billion."

PRJ welcomes letters from readers. Address letters to **Feedback, PRJ, 33 Irving Place, New York, NY 10003.** *Letters are subject to editing.*

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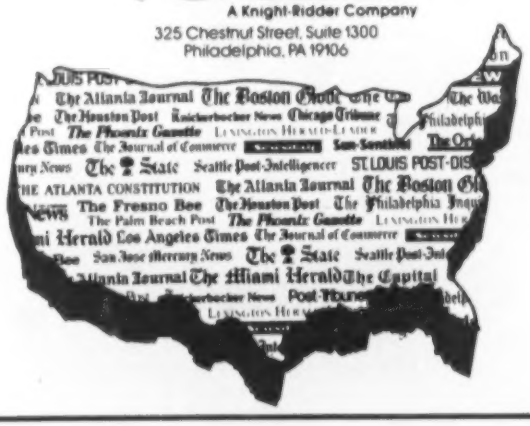


CR: For most, a part-time profession

Despite the field's growing importance, for most practitioners involved in community relations, CR is a part-time profession, according to two separate surveys conducted in 1987 and 1988 by The Center for Corporate Community Relations at Boston College.

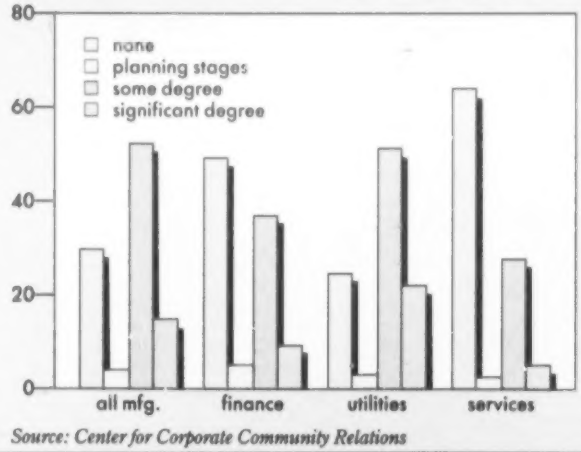
Among the 612 respondents to the 1988 survey (out of a mailed questionnaire sample size of 3,600 CR professionals), average time spent on CR was 47 percent (down from 53 percent in the 1987 survey). Only 8 percent reported working full-time on CR, about the same as in 1987.

Community relations, the researchers concluded, is largely "staffed by people who began their careers in related fields and who continue to shift their time back and forth between CR and these related fields—in particular, public relations and communications, public and governmental affairs and employee relations."

Other highlights of the studies:

- The field seems to be "protected" from corporate cutbacks because of its generally less-than-full-time status. In most departments in which CR responsibilities are located, resources are shifted among the related fields so that CR managers pick up more public relations, public affairs or employee relations responsibilities rather than lose their jobs or experience serious staff and budget cutbacks.
- Inter-company mobility, generally very limited in CR, may be on the rise. The percentage of CR professionals reporting that they have spent their entire career in the field in one company declined from 70 to 64 percent between 1987 and 1988.
- General public relations is the most common field from which to enter the CR specialty (22 percent described their previous job as public relations). The other common launching points include business manager/financial officer/assistant to the president/other professional staff positions (12 percent); support staff positions/secretary/administrative assistant (9 percent); public affairs (8 percent); personnel (8 percent); line manager (4 percent).
- Median income for the 1988 sample as a whole was $40,000 to $50,000.
- Despite mergers and acquisitions and downsizing, respondents were optimistic about budgets and staffs for 1989. For budgets, 54 percent projected increases, 35 percent no change and only 11 percent expected decreases. Regarding staffs, 75 percent expected no change, 19 percent expected increases and 7 percent expected decreases.
- Decentralization—the shift of CR responsibilities to line managers in plants, branch offices and service facilities—may have reached a peak, at least in some sectors. While 57 percent say the CR function has been decentralized to some degree in their departments, and 4 percent say decentralization is being planned, 39 percent report no decentralization and no plans to do so. Sectors most likely to be decentralized include public utilities and manufacturing companies (other than high-tech or publishing); those least decentralized include insurance, health and other services.—*K.L.*

Decentralization of CR responsibility, by industry group



Source: Center for Corporate Community Relations

community relations to cross the line from "optional" to "legally mandatory" virtually overnight. Consciousness of immediate environmental concerns was raised tremendously in communities across the country.

Gossling contends that "what used to work well was community relations or public relations people spending a lot of time in the community." But, he asserts, since the public has become savvy about environmental issues, thanks to the EPA and the media, community involvement programs have replaced community relations programs. These days, the community wants to be involved in decisions that affect them; consequently, "effective community relations is responding to your critics, not stonewalling them," he says.

"The new role I'm encouraging my clients to take in community relations," continues Gossling, "is that of orchestrator, rather than communicator." It is his contention that the public "will no longer listen to a person who carries a business card that says, 'senior public relations representative.'" People want to hear from engineers, scientists and management, he maintains—"the people who will be spending the money to solve the problem and the architects of solving it." Boston Edison, among others, has very successfully employed this approach (*see sidebar, page 29*).

Responding to the community effectively goes beyond renting out the local high school auditorium, placing an ad in the local paper and letting the audience pelt the experts with questions. "What that generally deteriorates into is mass hysteria, rather than mass communication," maintains Gossling. "The mass meeting is not cutting edge," he emphasizes, "even though a lot of corporations still think so."

Gossling advocates a move from mass communication to one-on-one. One of the techniques he uses is the "traveling science fair," an exhibit that includes six to eight booths, each manned by two to three "experts." "The most valuable aspect," he says, "is that the community can come and stand belly-to-belly with the expert. Juxtapose this to a mass meeting of 1,000 shouting people. That's probably the only time a PR person *doesn't* want to see a big crowd."

New methods emerging

Other emerging community relations techniques include the practice of dispute resolution and use of public participation groups.

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force and funding and priority to doing that. Yet, that's not something they have been credited with."

Dennis Kelso, commissioner of the Alaska Department of Environmental Conservation, offers Exxon a pat on the back. "I've tried to give credit where it is due, and have said that the [cleanup] mobilization represents a substantial effort at substantial cost," he says. But he also contends they wasted time posing for media effect: "We have documented instances in which crews were moved around to be present when media arrived."

•*Apart from the big picture, local loyalty messages can work (at least in the near term), provided there is no personal risk.*

On the heels of other national, negative stories related to consumer products (e.g., Tylenol and Alar), consumers perceived a personal health risk and quickly, spontaneously and very substantially cut purchases. Consumers can also be prodded into boycotts or other buying-habit changes by activists who plug into fears and resentments aimed at companies and their products.

Neither reaction seems to have occurred following the Valdez spill. While an NBC/*Wall Street Journal* poll in mid-April revealed strong negative attitudes about Exxon (77 percent of respondents thought Exxon "could have done more" to clean up), other polls showed relatively scant use of the most obvious way to express recrimination: boycotting. Eleven percent of adults polled by Yankelovich Clancy Shulman on May 4 claimed that they had stopped buying Exxon gasoline.

Communication may have helped separate the local interest from the environmental story. Soon after the spill, the local-loyalty message (don't blame the local gas station for the problem) appeared in local newspaper, radio and TV ads, and in some local news interviews. Whether because of goodwill at the neighborhood station level, brand loyalty or convenience, Exxon customers kept buying.

•*When the crisis is in a remote location, stationing the media center at the disaster scene can significantly handicap attempts to manage the news relations.*

Soon after the incident, Rick Hagar of *Oil and Gas Journal* noted in an editorial:

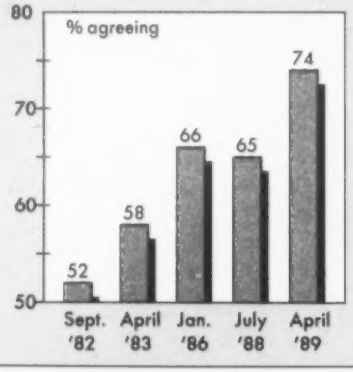
The polls: an ambivalent public

Polls taken in April and May revealed a public angered by the Valdez spill but not prepared to punish Exxon through boycotts. The public appears resigned to future disasters.

In an NBC/*Wall Street Journal* poll taken in mid-April, 77 percent of respondents thought Exxon "could have done more" to clean up after the spill. But results from other polls suggest a lack of recrimination. A Yankelovich Clancy Shulman poll of May 4 found that 11 percent of adults had stopped buying Exxon gasoline, and another 11 percent said they had considered doing so. Still, 72 percent said they were not boycotting the company's gas.

Yet, at the same time, consider a poll conducted periodically since 1982 by CBS and *The New York Times*, which asks people if "protecting the environment is so important that requirements . . . cannot be too high, and . . . improvements must be made regardless of cost" (below). Post-Valdez results clearly seem to indicate a strong impact on the public consciousness.

Environmental protection: no cost too high?



Public opinion polls taken between 1982 and 1989 asked whether protecting the environment is so important that requirements cannot be too high and improvements must be made regardless of cost. Whereas the percentage of those agreeing rose gradually between '82 and '88, it jumped by nine points between '88 and the next poll in '89—taken just after the Valdez spill.

Source: New York Times/*CBS surveys*

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